

To the Shareholders
of B-A-L Germany AG

By registered mail - acknowledgment of receipt

Meissen, der 17.09.2018

Invitation to the Extraordinary General Meeting B-A-L Germany AG

Dear Ladies and Gentlemen,

we invite you to the Extraordinary General Meeting to be held on 22.10.2018 at 18:00 hours in the rooms of the notary office Robert Walter in Mittweida, Markt 20-23.

Agenda of the Extraordinary General Meeting

1. Increase of the Company's share capital to 1,050,000 € by issuing 500,000 non-voting preference shares as bearer shares.

The Executive Board and the Supervisory Board propose that the following resolution be adopted:

The company's share capital of currently 550,000 € will be increased by 500,000 € against cash contribution by issuing 500,000 new bearer shares as non-voting preference shares with a proportionate amount of the share capital of 1.00 € per share and dividend entitlement from 1 January 2019.

The issue price per share is € 1.20 and must be paid in cash in full. This corresponds to a subscription price of 120%.

The newly created preference shares shall be entitled to the privileges resulting from the following rules on the appropriation of profits in the distribution of profits:

The profit shares of the shareholders will always be distributed in proportion to the contributions made to their portion of the share capital and in proportion to the time which has elapsed since the date determined for the payment, with the proviso that:

- a. *A preference dividend of 1 cent per dividend-bearing preference share is paid to the preferential shareholders. If the unappropriated retained earnings are not sufficient to pay the preferential dividend, the shortfalls shall be paid without interest from the unappropriated retained earnings of the following fiscal years prior to the distribution of a dividend to the ordinary shareholders in such a way that the older arrears are to be repaid prior to the newer ones and the preferential dividend of 1 cent per preference share to be paid from the profit of a fiscal year is not to be paid until all arrears have been repaid;*
 - b. *The ordinary shareholders shall receive dividend payments of up to 1 cent per ordinary share entitled to dividend;*
 - c. *Further profit shares are paid to the preferential and ordinary shareholders in accordance with the proportion of the share capital entitled to dividend in such a way that each preferential share is entitled to a 1 % higher dividend than one ordinary share.*
2. Amendment to the Articles of Association in connection with the capital increase resolved in accordance with Section 1.

The Articles of Association of the Company shall be adjusted to the capital increase resolved in Section 1 as follows, subject to the condition precedent that it is carried out:

New version of Section 4 (1) and (2) as follows:

Section 4 Amount and division of share capital

- (1) The share capital of the Company amounts to 1,050,000 EUR . It is divided into 1,050,000 no-par value shares, of which 550,000 are ordinary shares and 500,000 are non-voting preferential shares.*
- (2) The non-voting preference shares shall be entitled to the preferential rights set forth in Section 22 of the Articles of Association for the distribution of profits. Pursuant to Section 141 (2) sentence 2 AktG, the issue of further preferential shares, which in the distribution of profits or company assets are equal to the existing preferential shares without voting rights, remains reserved.*

New version of Section 18 as follows:

- (1) Each ordinary share entitles the holder to one vote at the Annual General Meeting. The preferential shareholders have no voting rights.*

- (2) However, if the preferential shareholders are legally entitled to one vote, each preferential share grants one vote.*
- (3) Voting rights may be exercised by proxy.*
- (4) The Company will ensure that a representative is appointed to exercise shareholders' voting rights in accordance with their instructions.*

New version of Section 22 as follows:

- (1) The balance sheet profit shall be distributed to the shareholders unless the General Meeting determines otherwise.*
- (2) The dividends of the shareholders will always be distributed in proportion to the contributions made to their portion of the share capital and in proportion to the time which has elapsed since the date specified for the payment, with the proviso that*
 - 1. a preference dividend of 1 cent per dividend-bearing preference share is paid to the preference shareholders. If the unappropriated retained earnings are not sufficient to pay the preferred dividend, the shortfalls shall be paid without interest from the unappropriated retained earnings of the following fiscal years prior to the distribution of a dividend to the ordinary shareholders in such a way that the older arrears are to be repaid prior to the newer ones and the preferential dividend of 1 cent per preferential share to be paid from the earnings of a fiscal year for this fiscal year is only to be paid after all arrears have been repaid:*
 - 2. profit shares of up to 1 cent per ordinary share entitled to dividend are to be paid to the ordinary shareholders;*
 - 3. further profit shares are paid to the preference and ordinary shareholders in accordance with the proportion of the share of the share capital entitled to dividends in such a way that each preference share is entitled to a dividend 1% higher than one ordinary share;*
- (3) When new shares are issued, a dividend entitlement deviating from the provisions of Section 60 AktG may be determined.*
- (4) Taking into account the preferential rights of the preference shares, the General Meeting may also resolve a distribution in kind in addition to or instead of a cash distribution.*

Requirements for attending the General Meeting and exercising voting rights:

Only those shareholders who hold a share certificate issued by the Company are entitled to attend the Annual General Meeting and exercise their voting rights. Proof

B-A-L Germany AG



Sitz der Gesellschaft: 01662 Meißen, Poststraße 5

of share ownership must be provided to the Company by the beginning of the Annual General Meeting at the latest. In relation to the Company, only those shareholders who have provided evidence of their entitlement to attend the Annual General Meeting or to exercise their voting rights shall be deemed to be shareholders for the purpose of attending the Annual General Meeting and exercising their voting rights.

At the time the Annual General Meeting is convened, the Company's share capital amounts to 550,000 € and is divided into 550,000 no-par value shares with a notional interest in the share capital of 1.00 € per no-par value share. Each share entitles the holder to one vote. The Company does not hold any treasury shares at the time of convocation. At the time the Annual General Meeting is convened, a total of 550,000 voting rights therefore exist.

Meissen, September 2018

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